

**KINGMAN MINERALS LTD.**  
**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED JUNE 30, 2022 AND 2021**  
**(Unaudited – Expressed in Canadian Dollars)**

**Notice of No Auditor Review**

These unaudited consolidated interim financial statements of Kingman Minerals Ltd. (the “Company”) have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

**KINGMAN MINERALS LTD.**Consolidated Interim Statements of Financial Position  
(Unaudited - Expressed in Canadian Dollars)

	June 30	September 30
	2022	2021
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 54,829	\$ 166,214
GST recoverable	11,953	7,896
Prepaid expenses	15,299	12,489
	82,081	186,599
<b>Mineral properties</b> (note 3)	1,684,392	1,227,306
	\$ 1,766,473	\$ 1,413,905
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable (note 5)	\$ 115,229	\$ 141,321
Accrued liabilities (note 5)	315,580	15,000
	430,809	156,321
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (note 4)	8,051,902	7,467,840
Reserves (note 4)	1,387,747	1,313,114
Deficit	(8,103,985)	(7,523,370)
	1,335,664	1,257,584
	\$ 1,766,473	\$ 1,413,905

Nature and continuance of operations (note 1)  
Going concern (note 2(b))

Approved on behalf of the Board:

Director           "Arthur Brown"            
Arthur Brown, DirectorDirector           "Peter Born"            
Peter Born, Director*The accompanying notes are an integral part of these consolidated interim financial statements*

**KINGMAN MINERALS LTD.**Consolidated Interim Statements of Comprehensive Loss  
(Unaudited - Expressed in Canadian Dollars)

	Three months ended June 30		Nine months ended June 30	
	2022	2021	2022	2021
<b>EXPENSES</b>				
Claims maintenance and property costs	\$ -	\$ 45	\$ -	\$ 15,398
Corporate communications	902	74,075	199,437	393,109
Filing and transfer agent fees	5,428	4,208	30,571	47,688
Management and consulting fees (note 5)	112,500	187,880	337,500	656,632
Office and general	7,528	14,540	23,133	41,371
Professional fees (recovery)	577	3,605	(10,026)	8,144
Rent	-	2,638	-	19,670
Share-based compensation (note 4)	-	-	-	755,342
Travel	-	-	-	1,834
<b>Loss before other item</b>	<b>(126,935)</b>	<b>(286,991)</b>	<b>(580,615)</b>	<b>(1,939,188)</b>
<b>Other item</b>				
Gain on debt settlement (note 5)	-	-	-	28,595
	-	-	-	28,595
<b>Net loss and comprehensive loss</b>	<b>\$ (126,935)</b>	<b>\$ (286,991)</b>	<b>\$ (580,615)</b>	<b>\$ (1,910,593)</b>
<b>Basic and diluted loss per share</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.05)</b>
<b>Weighted average number of common shares outstanding</b>	<b>69,353,013</b>	<b>55,113,100</b>	<b>69,194,442</b>	<b>41,181,187</b>

*The accompanying notes are an integral part of these consolidated interim financial statements*

**KINGMAN MINERALS LTD.**Consolidated Interim Statements of Cash Flow  
(Unaudited - Expressed in Canadian Dollars)

	<b>Nine months ended June 30</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss for the period	\$ (580,615)	\$ (1,910,593)
Add items not involving cash:		
Share-based compensation	-	755,342
Gain on debt settlement	-	(28,595)
Non-cash working capital items		
GST recoverable	(4,057)	(18,800)
Prepaid expenses	(2,810)	(14,985)
Accounts payable and accrued liabilities	274,488	(250,979)
<b>Net cash used in operating activities</b>	<b>(312,994)</b>	<b>(1,468,610)</b>
<b>Investing activities</b>		
Exploration and acquisition expenditures	(457,086)	(688,165)
<b>Net cash used in investing activities</b>	<b>(457,086)</b>	<b>(688,165)</b>
<b>Financing activities</b>		
Proceeds from issuance of common shares	692,250	2,022,875
Proceeds from share purchase warrants exercised	-	572,050
Share issue costs	(33,555)	(104,960)
<b>Net cash provided by financing activities</b>	<b>658,695</b>	<b>2,489,965</b>
<b>Change in cash during the period</b>	<b>(111,385)</b>	<b>333,190</b>
<b>Cash, beginning of the period</b>	<b>166,214</b>	<b>93,229</b>
<b>Cash, end of the period</b>	<b>\$ 54,829</b>	<b>\$ 426,419</b>

*The accompanying notes are an integral part of these consolidated interim financial statements*

**KINGMAN MINERALS LTD.**

Consolidated Interim Statements of Changes in Equity  
(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Share-based Payment Reserve	Deficit	Total
<b>Balance at October 1, 2020</b>	23,311,118	\$ 4,977,875	\$ 574,535	\$ (5,333,270)	\$ 219,140
Private placement of shares (note 4)	25,840,784	2,022,875	-	-	2,022,875
Share issuance costs (note 4)	-	(104,960)	-	-	(104,960)
Exercise of warrants @ \$0.09 (note 4)	6,356,111	572,050	-	-	572,050
Share based compensation	-	-	755,342	-	755,342
Net and comprehensive loss	-	-	-	(1,910,593)	(1,910,593)
<b>Balance at June 30, 2021</b>	55,508,013	7,467,840	1,329,877	(7,243,863)	1,553,854
<b>Balance at October 1, 2021</b>	55,508,013	7,467,840	1,313,114	(7,523,370)	1,257,584
Private placement of shares (note 4)	13,845,000	623,025	69,225	-	692,250
Share issuance costs (note 4)	-	(38,963)	5,408	-	(33,555)
Net and comprehensive loss	-	-	-	(580,615)	(580,615)
<b>Balance at June 30, 2022</b>	69,353,013	\$ 8,051,902	\$ 1,387,747	\$ (8,103,985)	\$ 1,335,664

*The accompanying notes are an integral part of these consolidated interim financial statements*

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Kingman Minerals Ltd. (the “Company”) was incorporated under the Business Corporation Act of British Columbia on May 4, 2007 and is listed on the TSX Venture Exchange (“TSX-V”). In April 2020 the Company changed its name from “Astorius Resources Ltd.” to “Kingman Minerals Ltd.” and commenced trading under the symbol KGS. The address of the Company’s corporate office and its principal place of business is 2150 – 555 West Hastings St., Vancouver, British Columbia, V6B 4N6, Canada.

The Company is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties. The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of amounts shown for mineral properties and related capitalized exploration expenditures is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof.

These consolidated interim financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

These financial statements were authorized for issue on August 29, 2022 by the directors of the Company.

#### **2. BASIS OF PREPARATION**

##### **a) Statement of compliance**

These consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting, and the International Financial Reporting Interpretations Committee (“IFRIC”).

**KINGMAN MINERALS LTD.****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION (continued)****a) Statement of compliance (continued)**

The Company has consistently applied the same accounting policies in its interim financial statements and throughout all periods presented. These consolidated interim financial statements do not contain all of the information required for full annual financial statements. These consolidated interim financial statements for the nine months ended June 30, 2022 should be read in conjunction with the annual September 30, 2021 financial statements, which were prepared in accordance with IFRS as issued by the IASB.

**b) Going Concern**

These consolidated interim financial statements are prepared on a going concern basis, which assumes that the Company will continue its operations for a reasonable period. The Company has incurred losses since its inception and has an accumulated deficit of \$8,103,985 at June 30, 2022; these factors form a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors and generating profitable operations in the future. The Company has been successful in the past in raising funds for operations by issuing shares but there is a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Further discussion of liquidity risk is included in notes 6 and 7.

**c) Measurement basis**

These consolidated interim financial statements are prepared on the historical cost basis except for certain financial instruments, which are measured at fair value as explained in the accounting policies within Note 3 of the September 30, 2021 financial statements. All amounts are expressed in Canadian dollars unless otherwise stated.

**d) Basis of consolidation**

These consolidated financial statements include the accounts of the Company and Mohave Ventures Ltd., ("Mohave") its wholly owned subsidiary, in which the Company has control, where control is defined as the power to govern the financial operating policies of an enterprise so as to obtain benefits from its activities.

All intercompany balances and transactions have been eliminated on consolidation.

Details of the Company's subsidiary are as follows:

<b>Name</b>	<b>Place of incorporation</b>	<b>Interest %</b>	<b>Principal activity</b>
Mohave Ventures Ltd. including its Arizona based subsidiary Mohave Ventures Ltd. (USA)	British Columbia, Canada; Arizona, USA	100%	Holding company for the option of the Mohave Project

**KINGMAN MINERALS LTD.****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**2. BASIS OF PREPARATION (continued)****e) New Accounting Standards**

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its financial statements.

**3. MINERAL PROPERTIES**

Expenditures on interests in mineral properties are considered exploration and evaluation assets.

<b>June 30, 2022</b>	<b>Cadillac</b>		
	<b>East</b>	<b>Mohave</b>	<b>Total</b>
<b>Acquisition Costs</b>			
<i>Balance, September 30, 2021</i>	\$ -	\$ 327,340	\$ 327,340
Additions	-	76,258	76,258
Impairment	-	-	-
<b><i>Acquisition costs, June 30, 2022</i></b>	<b>-</b>	<b>403,598</b>	<b>403,598</b>
<b>Exploration Costs</b>			
<i>Balance, September 30, 2021</i>	-	899,966	899,966
Additions	-	380,828	380,828
Impairment	-	-	-
<b><i>Exploration costs, June 30, 2022</i></b>	<b>-</b>	<b>1,280,794</b>	<b>1,280,794</b>
<b>Balance, June 30, 2022</b>	<b>\$ -</b>	<b>\$ 1,684,392</b>	<b>\$ 1,684,392</b>

<b>September 30, 2021</b>	<b>Cadillac</b>		
	<b>East</b>	<b>Mohave</b>	<b>Total</b>
<b>Acquisition Costs</b>			
<i>Balance, September 30, 2020</i>	\$ 60,000	\$ 313,953	\$ 373,953
Additions	-	13,387	\$ 13,387
Impairment	(60,000)	-	(60,000)
<b><i>Acquisition costs, September 30, 2021</i></b>	<b>-</b>	<b>327,340</b>	<b>327,340</b>
<b>Exploration Costs</b>			
<i>Balance, September 30, 2020</i>	-	99,474	99,474
Additions	-	800,492	800,492
Impairment	-	-	-
<b><i>Exploration costs, September 30, 2021</i></b>	<b>-</b>	<b>899,966</b>	<b>899,966</b>
<b>Balance, September 30, 2021</b>	<b>\$ -</b>	<b>\$ 1,227,306</b>	<b>\$ 1,227,306</b>

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **3. MINERAL PROPERTIES (continued)**

##### **a) Cadillac East**

On February 10, 2020, the Company entered into an option agreement to acquire the Cadillac East Property, located in Val d'Or, Province of Quebec. The Company can acquire a 100% interest by paying an aggregate of \$220,000 cash over various periods extending over a 24-month period. The payment terms are:

- i. A cash payment of \$60,000 within five days following the signing of the agreement (PAID);
- ii. A further cash payment of \$60,000 within 12 months of the signing of the agreement;
- iii. A further cash payment of \$100,000 within 24 months of the signing of the agreement; and
- iv. The company must incur \$500,000 in exploration expenditures within 24 months of the signing of the agreement.

A 1% Net Smelter Return (NSR) is included in the agreement payable to the Vendor, which may be purchased at any time by the Company paying to the Vendor \$1,000,000.

Management terminated the option agreement in January 2021 and the Company recorded an impairment write-down of mineral property acquisition costs of \$60,000 during the year ended September 30, 2021.

##### **b) Mohave Project**

On February 24, 2020, the Company entered into a share exchange agreement ("Share Exchange Agreement") with Mohave, to acquire all the issued and outstanding share capital of Mohave.

Pursuant to the Share Exchange Agreement, the Company acquired all the issued and outstanding shares of Mohave (9,000,000 common shares), and in consideration for which, the Company issued 2,500,000 common shares to the shareholders of Mohave. As a result of this transaction, Mohave became a wholly owned subsidiary of the Company. This transaction was approved by the TSX Venture Exchange on March 17, 2020.

As Mojave did not meet the definition of a business, the Company treated this acquisition as an asset acquisition. The purchase price was allocated according to the assets acquired:

Cash	\$	1,551
Exploration and evaluation asset acquired		260,949
Total consideration	\$	262,500

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **3. MINERAL PROPERTIES (continued)**

##### **b) Mohave Project**

Mohave has an underlying purchase option agreement (“Underlying Agreement”) dated December 18, 2019, to acquire a 100% interest in the Mohave Project, 20 mineral claims situated in Mohave County, Arizona, USA. Under the terms of the underlying agreement, Mohave can acquire a 100% interest by paying aggregate cash payments totalling USD \$289,000 at various periods over 48 months as follows:

- USD \$10,000 upon signing of the Underlying Agreement (CAD \$13,411 paid prior to acquisition);
- USD \$29,000 on or before November 29, 2019 (CAD \$38,892 paid prior to acquisition);
- USD \$40,000 12 months after the effective date (CAD \$53,004 paid in FY 2020);
- USD \$60,000 24 months after the effective date (CAD \$76,257 paid in October 2021);
- USD \$75,000 36 months after the effective date;
- USD \$75,000 48 months after the effective date.

Mohave will also pay all government fees applying to the Mohave Project and in the event of termination of the option, Mohave will ensure that all claims that comprise the Mohave Project have a minimum of one year of good standing at the time of termination. A 2% Net Smelter Return (NSR) is included in the agreement which may be re-purchased by Mohave.

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **4. SHARE CAPITAL**

##### **Authorized**

Unlimited common shares without par value.

##### **Issued**

###### **2022**

On December 21, 2021, the Company closed a private placement for total gross proceeds of \$692,250. The Company issued a total of 13,845,000 units at a price of \$0.05 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.075 for a period of 4 years from the date of issuance. The unit warrants have been valued at \$69,225 using the residual value method.

In connection with the December 21, 2021 private placement, the Company issued 194,550 share purchase warrants as finder's fees at a price of \$0.075 per share until four years after the issue date with a fair value of \$5,408. The Company paid \$19,455 in share issue costs related to this private placement. The broker warrants were valued using the Black Scholes option pricing model with the following assumptions: market price of \$0.0278, term of four years; volatility of 102%; dividend of 0%; and discount rate of 1.22%.

###### **2021**

During the year ended September 30, 2021, the Company issued 6,356,111 common shares pursuant to the exercise of warrants at a price of \$0.09 per share for gross proceeds of \$572,050.

On January 28, 2021, the Company closed a private placement for total gross proceeds of \$963,090. The Company issued a total of 10,700,999 units at a price of \$0.09 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.12 for a period of 2 years from the date of issuance. In connection with the private placement, the Company incurred \$49,415 share issuance costs in cash.

On January 15, 2021, the Company closed a private placement for total gross proceeds of \$1,059,785. The Company issued a total of 15,139,785 units at a price of \$0.07 per unit. Each unit contains one common share and one transferrable share purchase warrant. Each warrant is exercisable at a price of \$0.10 for a period of 1 year from the date of issuance. In connection with the private placement, the Company incurred \$55,545 share issuance costs in cash.

##### **Stock Options**

The Company has established a stock option plan for directors, employees, and consultants. Under the Company's stock option plan, the exercise price of each option is determined by the Board, subject to the pricing policies of the TSX-V. Options vest immediately when granted and expire five years from the date of the grant, unless the Board establishes more restrictive terms.

The aggregate number of shares issuable pursuant to options granted under the plan is limited to 10% of the Company's issued shares at the time the options are granted. The aggregate number of options the Company's issued shares at the time the options are granted. The aggregate number of options granted to any one optionee in a 12-month period is limited to 5% of the issued shares of the corporation.

**KINGMAN MINERALS LTD.****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**4. SHARE CAPITAL (continued)****Stock Options (continued)**

On March 5, 2021, the Company granted 920,000 share purchase options to directors and consultants with an exercise price of \$0.185 per share for a period of 10 years, expiry date of March 5, 2031. The Company recorded \$166,517 as share-based compensation.

On February 22, 2021, the Company granted 1,250,000 share purchase options to consultants with an exercise price of \$0.22 per share for a period of 2 years, expiry date of February 22, 2023. The Company recorded \$196,139 as share-based compensation.

On January 15, 2021, the Company granted 3,200,000 share purchase options to directors, officers, and consultants with an exercise price of \$0.12 per share for a period of 10 years, expiry date of January 15, 2031. The Company recorded \$375,923 as share-based compensation.

The fair value of the options granted were determined using the Black-Scholes pricing model, using the following weighted average assumptions:

Risk-free interest rate	0.22% to 1.33%
Expected dividend yield	0%
Share price volatility	144% to 150%
Expected life of options	2 to 10 years

The weighted average fair value of stock option per share granted in the year ended September 30, 2021 was \$0.14.

Continuity of stock options for the nine months ended June 30, 2022 and year ended September 30, 2021 is as follows:

	Nine months ended		Year ended	
	June 30 2022		September 30 2021	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding - beginning of period	5,370,000	\$ 0.15	466,200	\$ 0.14
Cancelled	-	\$ -	(466,200)	\$ 0.14
Granted	-	\$ -	3,200,000	\$ 0.12
Granted	-	\$ -	1,250,000	\$ 0.22
Granted	-	\$ -	920,000	\$ 0.19
Outstanding - end of period	5,370,000	\$ 0.15	5,370,000	\$ 0.15

**KINGMAN MINERALS LTD.****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**4. SHARE CAPITAL (continued)****Stock Options (continued)**

As at June 30, 2022, the following options were outstanding:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Weighted Average Exercise Price	Remaining Life (years)
February 22, 2023	1,250,000	1,250,000	-	\$ 0.22	0.65
January 15, 2031	3,200,000	3,200,000	-	\$ 0.12	8.55
March 5, 2031	920,000	920,000	-	\$ 0.19	8.68
	5,370,000	5,370,000	-	\$ 0.15	6.73

**Warrants**

Warrant activity for the nine months ended June 30, 2022 and year ended September 30, 2021 are presented below:

	Nine months ended June 30 2022		Year ended September 30 2021	
	Number of Warrants	Weighted average exercise price	Number of Warrants	Weighted average exercise price
Outstanding - beginning of period	34,969,562	\$ 0.12	15,979,489	\$ 0.13
Expired	-	-	(80,000)	0.50
Expired	-	-	(414,600)	1.50
Expired	(9,128,778)	0.09	-	0.09
Expired	(15,139,785)	0.10	-	0.10
Exercised	-	-	(6,356,111)	0.09
Issued pursuant to private placement	14,039,550	0.08	-	-
Issued pursuant to private placement	-	-	15,139,785	0.10
Issued pursuant to private placement	-	-	10,700,999	0.12
Outstanding - end of period	24,740,549	\$ 0.10	34,969,562	\$ 0.12

As at June 30, 2022, the following warrants were outstanding:

Number of Warrants	Weighted Average Exercise Price	Expiry date	Remaining Life (years)
10,700,999	\$ 0.12	January 28, 2023	0.58
14,039,550	\$ 0.08	December 21, 2025	3.48
24,740,549	\$ 0.09		2.23

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **4. SHARE CAPITAL (continued)**

##### **Warrants (continued)**

The weighted average remaining contractual life of the issued and outstanding warrants at June 30, 2022 was 2.23 years.

##### **Reserves**

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

#### **5. RELATED PARTY TRANSACTIONS**

During the nine months ended June 30, 2022 and 2021, the Company entered into the following related party transactions:

- a) The Company incurred management fees of \$135,000 (2021 - \$135,000) paid to a company controlled by the Chairman and interim CFO of the Company;
- b) The Company incurred management fees of \$90,000 (2021 - \$182,000) paid to a company controlled by the former Chairman of the Company.
- c) The Company incurred geological consulting fees of \$22,500 (2021 - \$4,860) paid to a company controlled by the CEO and director of the Company;
- d) The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties as follows:

	June 30, 2022	June 30, 2021
Consulting fees	\$ 22,500	\$ 4,860
Management fees	\$ 225,000	\$ 317,000

At June 30, 2022, amounts owed to related parties totalled \$353,750 (September 30, 2021: \$13,325) for amounts due to companies controlled by the Chairman, former Chairman, and CEO. All amounts payable are non-interest bearing, unsecured and due on demand.

In January 2021, debt in the amount of \$28,595 due to a company controlled by the CEO was forgiven resulting in a gain of \$28,595.

## **KINGMAN MINERALS LTD.**

### **NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

#### **6. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of mineral properties. The Company does not have any externally imposed capital requirements to which it is subject.

As at June 30, 2022 the Company had capital resources consisting of cash. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

The Company's investment policy is to invest its cash in investment instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected time of expenditures from continuing operations.

#### **7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

##### **Classification**

The Company has classified its cash and reclamation bond as fair value through profit or loss. Accounts payable is classified as other financial liabilities.

The following table summarizes information regarding the carrying values and classification of the Company's financial instruments:

	<b>June 30, 2022</b>	<b>September 30, 2021</b>
Fair value through profit or loss (i)	\$ 54,829	\$ 166,214
Amortized cost (ii)	115,229	141,321

- (i) Cash
- (ii) Accounts payable

The Company's financial instruments are exposed to the following risks:

##### **Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution. Credit risk is assessed as low.

##### **Liquidity Risk**

To manage liquidity risk, the Company plans to hold cash sufficient to meet its financial obligations as they fall due. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. As at June 30, 2022, the Company has a working capital deficiency of \$348,728 and will require additional cash to fund operations and exploration activities. Liquidity risk is assessed as high.

**KINGMAN MINERALS LTD.****NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

As at and for the nine months ended June 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

**7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)****Foreign Exchange Risk**

The Company does not have foreign currency denominated financial instruments and is not exposed to significant foreign exchange risk.

**Market risk**

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of the financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company's ability to raise capital is subject to risks associated with fluctuations in the stock market. Management closely monitors individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

**8. OPERATING SEGMENT INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and development of mineral properties. The Company has mineral properties located in North America (Quebec and Arizona).